

SAN ANTONIO WATER COMPANY

CORPORATE COMMITMENT

SUMMER EDITION 2023

To provide our shareholders with reliable and good quality water service at a cost effective rate

SAWCO WATERWORKS

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Find us on Facebook

RAINFALL DATA

| Jan 3.31 .22 6.26 Feb .03 .44 5.99 Mar. 1.52 1.84 10.86 April .88 1.06 1.44 May .45 .36 1.14 June .01 .21 July .19 .00 Aug. .00 .00 Sept. .00 1.65 Oct. 1.21 .99 Nov .00 5.57 Dec 11.25 5.13 TOTAL 18.85 17.47 25.69 | 00000 | 000000 | | <u> </u> |
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| Mar. 1.52 1.84 10.86 April .88 1.06 1.44 May .45 .36 1.14 June .01 .21 July .19 .00 Aug. .00 .00 Sept. .00 1.65 Oct. 1.21 .99 Nov .00 5.57 Dec 11.25 5.13 | Jan | 3.31 | .22 | 6.26 |
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| June | April | .88 | 1.06 | 1.44 |
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| Nov .00 5.57 Dec 11.25 5.13 | Sept. | .00 | 1.65 | |
| Dec 11.25 5.13 | Oct. | 1.21 | .99 | |
| | Nov | .00 | 5.57 | |
| TOTAL 18.85 17.47 25.69 | Dec | 11.25 | 5.13 | |
| | TOTAL | 18.85 | 17.47 | 25.69 |
| | | | | |

1958-2013 Annual rainfall average: 22.40°

CONSUMER CONFIDENCE REPORT

Do you ever wonder what is in your drinking water? If you want to learn more about your water quality, you may want to look in detail at your Consumer Confidence Report (CCR). Water quality reports help you identify if there are contaminants present in your tap water and how these may affect your health. Look for the report in the mail. If you would like to receive the report by email, please send a request that you would like a copy of the CCR to rthomas@sawaterco.com. The CCR is also available on our website at:

https://www.sawaterco.com/files/8dc789d57/2022+CCR-final+draft3.pdf

If by chance you did not receive the report, please contact our office at 909-982-4107 and we will mail/email it to you, per your request.



Will Elliott



Martha Goss



Rudy Zuniga

Annual Shareholder's Meeting April 11, 2023

San Antonio Water Company held their 140th annual shareholder's meeting where the directors Will Elliott, Martha Goss and Rudy Zuniga were reelected to our Board. Stability in our Board has allowed us to progress over the years. We thank those who are willing to serve their community and shareholders.

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GENERAL MANAGER'S CORNER

Guiding Documents

The San Antonio Water Company has existed for 140 years. We were formed by the Chaffey Brothers back in 1882 to manage the local water sources for shareholders of the company. Our founding documents include a State of California Articles of Incorporation signed in 1882, a Federal Government Land Sale signed by President Teddy Roosevelt in 1903 and our corporation bylaws, continually updated to reflect changing California law. The Company also maintains records of each and every share of Company stock. Each of these documents are still very important to this company.

Additional documents we rely on include yearly budgets, fiscal audits, annual shareholder reports, water Master Plans and state mandated Urban Water Management Plans. Company staff regularly prepares agendas and reports to the Board and shareholder committees. We submit reports to the State Water Board on a weekly basis regarding water quality and we provide our shareholders yearly water quality Consumer Confidence Reports.

Facility replacements require bidding documents, design plans, material submittals, inspection reports and, of course, contracts.

After 140 years, these documents tend to accumulate. The Company relies on storage space for our paper documents and a centralized computer server for our digital documents. These two organized systems allow for quick retrieval of past documents. It takes a tremendous amount of paper (real and digital) to continue providing high quality water to our shareholders. I've had the pleasure of reviewing many, but not all, of the historical documents present in our files. It is interesting how mannerisms and language usage has changed over the course of time. I hope future SAWCO generations enjoy reviewing the 'historical' documents we are working on today.

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
SAN ANTONIO WATER COMPANY

The name of this corporation is SAN ANTONIO WATE

The purpose of the corporation is to engage in an or activity for which a corporation may be organize General Corporation Law of California other than business, the trust company business, or the praprofession permitted to be incorporated by the Corporations Code.

THE UNITED STATES OF AMERICA,

THE UNITED STATES OF AMERICA,

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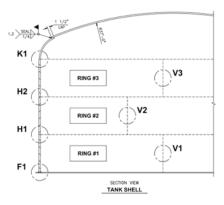
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What's Happening?

Project Update

HOLLY DRIVE RESERVOIR - PHASE 3

At its December 2022 meeting, the Board approved a \$920k project to install a second 100,000-gallon steel tank at the upper end of Holly Drive. This tank will provide additional fire and operations water storage for the Company. This phase of the project should be completed by Fall 2023. This final phase brings total water storage at our Holly Drive site to 200,000 gallons.



FOREBAY OUTFALL MODERNIZATION

At its May 2023 meeting, the Board approved a \$124k contract to design a replacement pipeline for the irrigation outfall from the Company's Forebay facility.

This project will relocate an existing antiquated pipeline from Ocean View Drive backyards into Mesa Terrace Drive and remove an old hydraulic break at Paloma Curve. Construction of this \$1M project is scheduled to begin in the Fall of 2023.

WELL 31

At its December 2022 Budget Meeting, the Board approved a \$220k project to repair a catastrophic failure at Well 31. The well repair project replaces the shaft and bowls used to bring water up from the aquifer. As of April 2023, the well is back in service.

Additionally, at its May 2023 Meeting, the Board approved a \$87k design contract to replace approximately 1,400 lineal feet of pipeline delivering water from Well 31 to the Company's facilities along Upland Hills Golf Club. Construction of this \$500k project should begin in the Fall of 2023.



WELL 19 CONSTRUCTION

At its April 2022 meeting, the Board approved a \$1.2M project to install a new well at the Well 19 site in the Cucamonga Canyon adjacent to the Holliday Rock Company. Supply constraints delayed the start of construction. Drilling should begin in June or July of 2023. Project should be completed in 2024. To bring the well water into our system we will need to construct a new pipeline in 2024 or 2025.



GLENDALE ROAD PIPELINE REPLACEMENT

At its February 2023 meeting, the Board approved a \$440k project to install 770 lineal feet of new 8" pipeline within Glendale Road, replacing an old dual line 2" and 6" system that had reached the end of its useful life. The project was completed in April and the new line is fully in service.

SAWCo Waterworks

is produced quarterly to keep San Antonio Water Company shareholders informed about water-related issues and upcoming events. If you have any questions or comments, please call the office at 909-982-4107.

BOARD OF DIRECTORS

Rudy Zuniga—President
Will Elliott-Vice Pres.
Martha Goss-Secretary/CFO
Bob Cable-Director
Kati Parker-Director
Bill Velto—Director
Bob Bowcock-Director

GENERAL MANAGER

Brian Lee

DESIGNER/EDITOR

Roberta Thomas



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Online Payment Charges

Effective 9/1/2023 the convenience charge for online payments by credit or debit card will switch from a percentage calculation of the bill to a fixed fee of \$3. This is in addition to a fixed \$1.25 municipal online fee charged by our accounting software firm.

Starting on 9/1/2023 each credit or debit card transaction fee will be a flat \$4.25.

This cost helps offset the fees paid by SAWCO for online bill pay services.

THANKS MOTHER NATURE

The SAWCO Board would like all shareholders to benefit from the unanticipated storms this past winter and resultant increased snow melt. At it's June 2023 Regular meeting, the Board voted unanimously that until December 31, 2023, and starting with the May/June domestic billing cycle and the June Municipal billing cycle, the commodity charge for "Over Entitlement" as shown on the Company's charge and Fee Schedule (Tier 2 Rate) shall be reduced from the current \$1.78 to \$0.68 per unit (100 cubic feet). On January 1, 2024, the "Over Entitlement" Tier 2 rate shall revert back to \$1.78 per unit as established in the Company's 2017 Rate Study.

